
New Lebanon CSD
Final Budget Presentation
2023-2024 School Year

MARCH 8, 2023

NLCSD Budget Goals - 2023-2024

- 1.) New Lebanon CSD will maintain a balanced budget while supporting academic excellence and expanding resources for students and staff.
- 2.) Increase fiscal awareness among all stakeholders through communication and professional development.
- 3.) Stay within the tax cap and meet state mandated requirements.

NL 23-24 Budget Calendar:

January 11, 2023 - Facilities and Food Service

February 8, 2023- Instructional Programs and Transportation

March 8, 2023 - Preliminary Full 23-24 Budget Presentation

April 5, 2023 - Budget Workshop - If Needed

April 17, 2023 - Final Discussion and Adoption of 23-24 school year budget

April 25, 2023 - Special BOE Meeting - Questar III Budget Vote and Election - Time TBD

May 3, 2023 - Public Hearing on Proposed Budget

May 16, 2023 - Public Budget Vote and Board of Education Election

Board of Education Elections:

- Two three year terms and one two year term will be open at the end of this school year.
- Please contact Kelly McGivern, Board Clerk if you are interested in running for the New Lebanon School Board.

Fund Balance Projection 22-23

	Budget	Forecast
Revenue	\$12,805,292	\$12,617,096
Fund Balance	\$119,173	\$0
Expenditure	\$12,924,465	\$12,593,465
Excess Revenue over Expenditures	\$0	\$23,631
Unassigned Fund balance	\$1,100,053	\$1,315,841
Excess Fund Balance (over 4%)	Unknown until end of school year.	\$475,000

Fund Balance Estimated Total:

Fund Balance as of 6/30/22 \$516,979

(The 4% allowed by NY)

Excess Fund Balance as of 6/30/22: \$583,074

(Over the 4%)

Total Fund Balance as of 6/30/22: \$1,100,053

Projected Excess from 23-24 Budget: \$179,671

Projected Grand Total as of 6/30/23

\$1,315,841

Recommended Purchases Using Fund Balance:

<u>Item</u>	<u>Cost</u>
Maintenance Dump Truck	\$100,000 w/plow and salter
Handicap Accessible Bus	\$107,009 (aidable)
Used Bus Purchase (current rental)	\$80,000 (aidable)
Total:	\$287,009

Total After Purchasing Year 23-24 Items:

Total projected Fund balance after vehicle purchases \$1,028,832

Excess Fund Balance projected as of 06/30/23 \$553,096

(4% of next year's estimated budget "allowed" by NY)

Excess Fund Balance projected as of 06/30/23 **\$475,736**

(Over the 4%)

Reserves

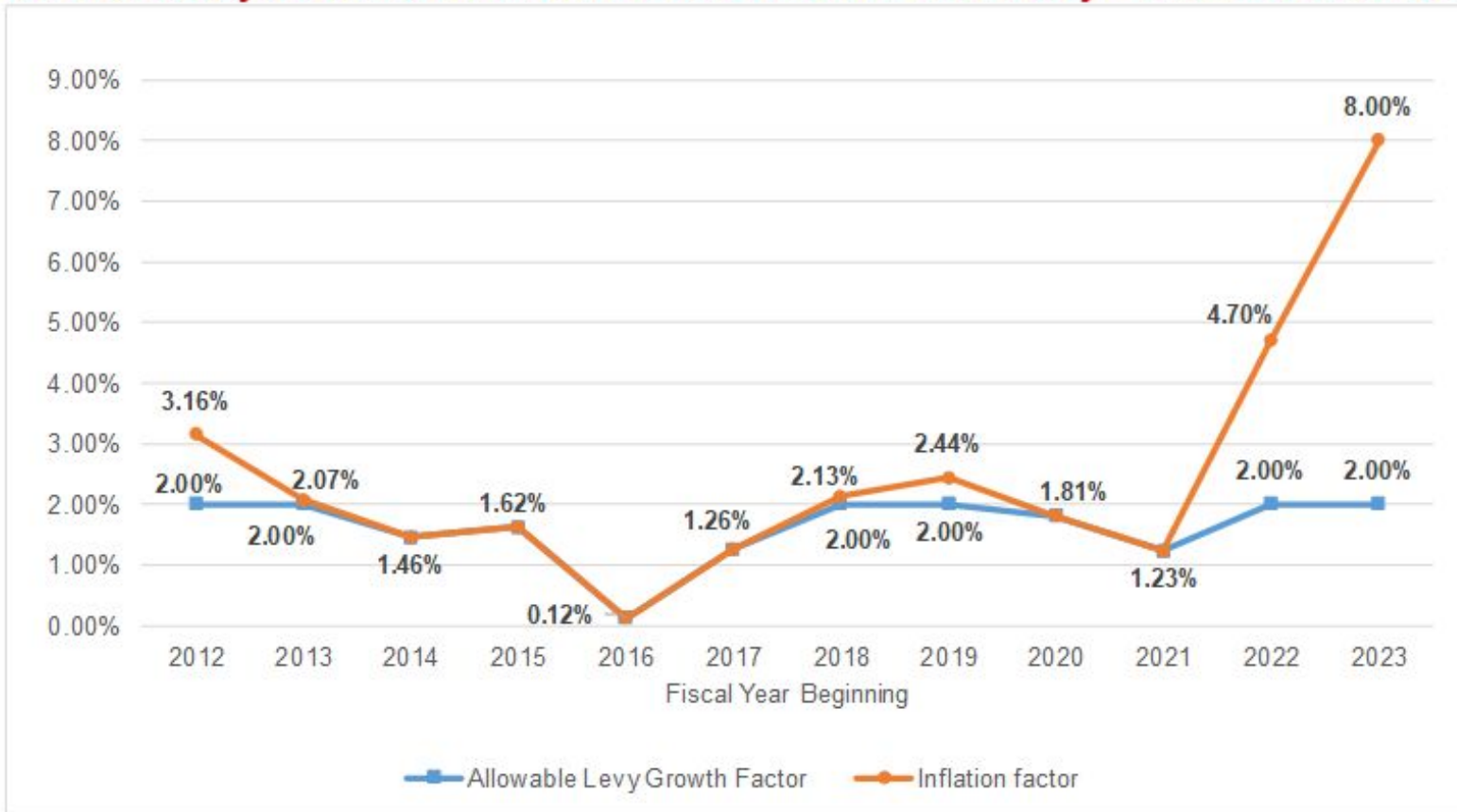
Reserve:	Current balance:	Purpose:
Capital Reserve	\$853,784	Fund up to 3 million until May 2025 using year end surplus to use towards capital renovations. Must get separate voter approval to use this reserve.
Workers Comp Reserve	\$101,704	To limit a large cost spike due to a significant claim
Unemployment Reserve	\$74,802	To protect district from a significant number of unemployment claims
ERS Reserve	\$293,151	To protect the district from increased employer contribution rates.
Tax Cert Reserve	\$30,216	To protect the district against payments arising from court judgements to reduce school tax assessments on property within districts boundaries.
Employee Benefits Reserve	\$116,009	Protects district from a large single year payout
Repair Reserve	\$0	To pay for certain repairs to capital improvements or equipment. The type of repairs must not recur annually or at shorter intervals. * use of funds must be voter approved unless it is an emergency board can approve
Total:	\$1,469,667	

Tax Levy Limit Calculation 2023-2024

Prior Year Tax Levy		\$8,794,685
Tax Base Growth Factor	x	<u>1.00083</u>
		\$8,867,681
Prior Year PILOT	+	<u>\$0</u>
		\$8,867,681
Prior Year Exemptions (Capital Expenditures)	-	<u>\$410,776</u>
Adjusted Prior Year Levy		\$8,456,905
Allowable Growth Factor (lesser of CPI or 2%)	x	<u>1.02</u>
		\$8,626,043
PILOTS for Coming Year	+	\$0
Tax Levy Limit		\$8,626,043
Coming School Year Exemptions:		
Capital Exclusion for 2023-24		\$520,274
Maximum Allowable Levy		<u>\$9,146,317</u>
		4%

With 4% Increase \$351,632

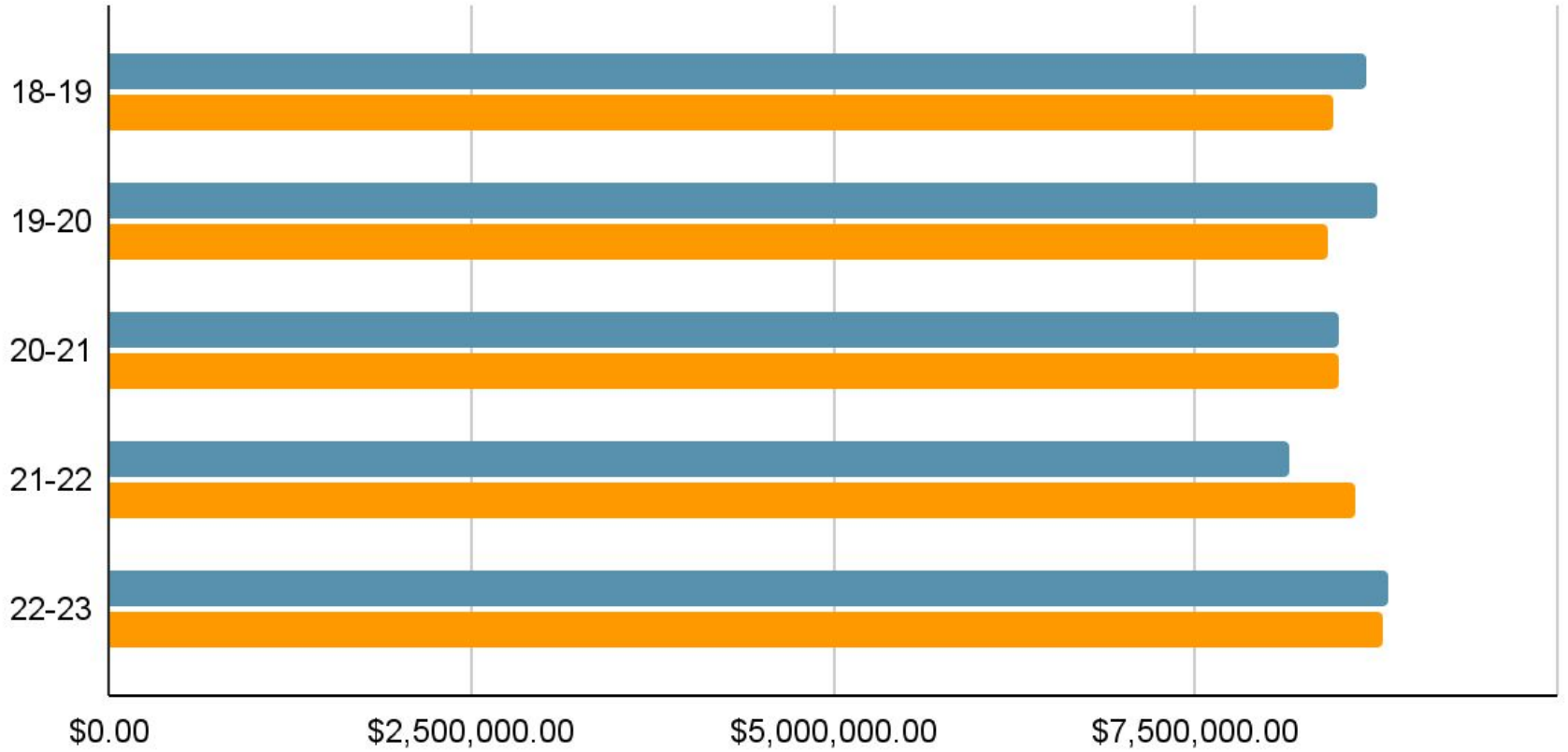
Allowable Levy Growth and Inflation Factors for Entities with a July 1 - June 30 Fiscal Year



Note: Allowable levy growth factor is expressed as a percentage.

Tax Levy History

■ Tax Cap ■ Levy



Revenues

State Aid	2022-23	2023-24	Difference
Foundation Aid	2,515,887	2,591,363	\$75,476
Service Aid or High Tax Aid	143,187	143,187	\$0
Building Aid	486,205	537,702*	\$51,497
Instructional Material Aids	34,126	34,507	\$381
Computer Software or Hardware Aid	1,358	1,862	\$504
High Cost Excess Aid	3,825	5,934	\$2,109
Private Excess Cost Aid	59,656	62,717	\$3,061
Transportation Aid	319,559	343,376*	\$23,817
Boces Aid	165,304	185,042	\$19,738
Total State Aid	3,729,107	3,905,690	\$176,583

DESCRIPTION	2022-23 Budget	2023-24 Proposed Budget	Difference
Int. & Penalties On Real Prop. Taxes	\$17,500	\$20,000	\$2,500
Tuition	\$10,500	\$10,000	-\$500
Tuition - Out Of State	\$40,000	\$16,394	-\$23,606
Use of Property and Interest And Earnings	\$25,000	\$25,000	\$0
Sale Of Equipment	\$3,500	\$4,000	\$500
Refund Prior Year Exp	\$105,000	\$155,000	\$50,000
Other Unclassified Revenues	\$50,000	\$20,000	-\$30,000
E-RATE	\$30,000	\$0	-\$30,000
Total Revenue	\$281,500	\$250,394	-\$31,106

General Support

2021-22 Budget	2022-23 Budget	2023-24 Proposed Budget	Change From Last year	% Change From Last Year
\$762,634	\$855,901	\$779,201	-\$76,700	-9.8%

- External auditor & single audit increase
- Salary increases
- Settlement payment no longer needed

Instructional Budget

- No confirmed retirements
- Increases due to contractual agreements

2021-22 Budget	2022-23 Budget	2023-24 Proposed	Change From Last year	% Change From Last year
\$4,067,790	\$4,047,431	4,260,176	\$212,745	5%

Operations and Maintenance

- DCMO Cooperative Purchasing for fuel
- Maintenance Dump Truck (using excess fund balance)

2021-22 Budget	2022-23 Budget	2023-24 Budget	Change From Last year	% Change From Last Year
\$833,010	\$911,104	\$1,013,344	\$102,240	11%

Special Education

- Out of District Tuition - \$360,000 budgeted
- Increase in supplies
- Adding two teacher assistants due to needs at the elementary school

2021-22 Budget	2022-23 Budget	2023-24 Budget	Change From Last year	% Change From Last year
\$1,083,091	\$1,214,347	\$1,317,267	\$102,920	8.5%

Athletics

2021-22 Budget	2022-23 Budget	2023-24 Budget	Change From Last year	% Change From Last year
\$124,400	\$144,300	\$140,300	-\$4,000	-2.7%

- No significant changes

Information Technology

2021-22 Budget	2022-23 Budget	2023-24	Change From Last year	% Change from Last year
\$154,500	\$162,011	\$180,085	\$18,074	11.2%

- Printer Lease

Transportation

- Purchase Handicap accessible bus (\$107,009) and used bus purchase (\$80,000) - using excess fund balance

2021-22 Budget	2022-23 Budget	2023-24 Budget	Change From Last year	% Change From Last year
\$716,200	\$707,182	\$887,784	\$180,602	25.5%

Other Expenses

2021-22 Budget	2022-23 Budget	2023-24 Budget	Change From Last year	% Change From Last year
\$4,264,382	\$4,706,189	\$5,135,747	\$429,558	9%

- ERS- Rate increasing from 11.6% to 13.1%
- TRS- Rate decreasing from 10.29 to 9.76%
- Workers Comp decreasing from \$105,000 to \$45,000
- Health Insurance- projecting a 15% increase on plans and 5.4% increase on prescriptions (final rates end of March)
- Phase III Bond Payment -(added debt payment for phase III \$238,155 principal and \$115,689 interest)
- Bus Ban Payment- (\$92,000 principal payment, \$8,621 Interest payment)
- Including Interfund Transfer (*100k Capital project*)

Budget Comparison

	2022-2023	2023-2024	Difference	% Change
Budget	\$12,924,465	\$13,832,403	\$907,938	7%
Non Tax Revenue	\$4,010,607	\$4,156,084	\$145,477	3.5%
Fund Balance	\$119,173	?	?	?
Levy Amount	\$8,794,685	?	?	?

Budget Gap:
\$881,634

Considerations:

- How much Fund Balance?
 - Tax Levy Increase?

	2023-24
Budget	\$13,832,403
Fund Balance	?
Revenue	\$4,156,084
Levy Amount	\$8,794,685 (22-23 amount) 23-24 amount ?

Balancing the Budget Possibilities:

- 1.) Use Excess Fund Balance to purchase the truck, handicap accessible bus, and the used bus.
- 2.) Raise the tax levy
- 3.) Use fund balance
- 4.) Reduce capital expenses that are impacting the 23-24 budget..

Option 1:

Using Excess Fund Balance to Purchase Vehicles

<u>Budget Gap:</u>	<u>Subtract Excess Fund Balance for Items:</u>
\$881,634	- 287,009 = \$594,625

Updated Budget Gap: \$594,625

Option 2:

Tax Allowable Increase up to 4%

- Each Percentage increased = \$87,947 towards the budget
- 1% increase equals - \$87,947
- 2% increase equals - \$175,894
- 3% increase equals - \$263,841
- 4% increase equals - \$351,787

Option 3:

Use Fund Balance

Fund balance left after vehicles are purchased:

\$1,028,832- In Total Fund Balance

\$475,736 is left in excess fund balance

(Funds above 4% allowable by NY State)

The District can choose to use any amount of this money to balance the budget...

(It is recommended by our financial planners to use fund balance for non-recurring expenses unless you can plan to use a consistent amount of fund balance in future years)

Option 4: Capital Expenses...

Capital Expenses - Expenses for property, buildings, buses, and alterations (including debt payments)

- 1.) Cancel the \$100,000 Capital Outlay Project
(This would postpone facility work and reduce our allowable tax cap to 2.86%)
- 2.) Defer Debt payment for buses that were purchased last year -\$92,000 (This would increase debt payment costs for future years and would reduce our tax cap to 2.95%)

Possible Scenario #1

Current Deficit	\$594,625
Possible Tax Increase of 2.5% (\$219,867)	\$374,758
District Uses \$369,758 in excess fund balance	\$0.00
	Balanced Budget!!

Possible Scenario #2

Current Deficit	\$594,625
Possible Tax Increase of 3% (\$263,841)	\$330,784
District Uses \$325,784 in excess fund balance	\$0.00
	Balanced Budget!!

Possible Scenario #3

Current Deficit	\$594,625
Possible Tax Increase of 3.5% (\$307,814)	\$286,811
District Uses \$281,944 in excess fund balance	\$0.00
	Balanced Budget!!

Possible Scenario #4:

Current Deficit	\$594,625
Possible tax Increase of 2% (\$175,894)	\$418,731
District decides not to budget for \$100,000 project	\$318,731
District uses \$318,731 in excess fund balance	\$0.00
	Balanced Budget!!!

Considerations for the Board...

- 1.) Look at budget scenarios. Discuss the presented scenarios and options as a board.
- 2.) Do you want us to prepare any other combination of scenario options for April's BOE Meeting?
- 3.) Do you want us to look at any other budget reductions?
- 4.) Do you want to meet on Wednesday, April 5th for a budget workshop?

No decisions have to be made today. The board must decide on and adopt a budget on Monday, April 17th - our official April BOE meeting..